



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Recommended Use for 100 East Pine Street (New Shanghai Restaurant) and Authorize City Manager to Execute Lease Agreement

MEETING DATE: November 17, 1999

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council direct the City Manager and City Attorney to draft and execute a lease agreement with Health for All, Inc., a non-profit local organization that provides adult day health care services for local adults who are unable to function independently in their homes; and appropriate funds in accordance with the recommendation shown below. The facility to be leased is the former New Shanghai Restaurant located at 100 East Pine Street. The term of the lease will be ten years at \$1 per year and used as an adult day health care center.

BACKGROUND INFORMATION: In December 1998, the City Council accepted the donation of the property at 100 East Pine Street from Donald Wong. The property includes a former restaurant building, built in 1966. Mr. Wong requested that the building be used "for the benefit of the citizens of Lodi", preferably seniors or youths, and that it not be demolished for at least ten years.

Council directed staff to prepare and issue a Request for Proposal (RFP). RFP's were mailed to approximately 70 local agencies/organizations. Six proposals were received and evaluated, and the highest-ranking organization, Health for All, Inc., (copy of proposal attached) was interviewed. Other organizations that submitted proposals were: San Joaquin Valley Square Dancing Association, Tokay Players, Stockton-Lodi Church of Religious Science, Lodi Gang Alternative Project (GAP), and the Lodi Fellowship Church - Operation Help (Food Locker).

After the interview, City staff toured the organization's current facility, at 125 South Washington Street, and observed the program in operation. Staff's recommendation is that Health for All, Inc. be allowed to lease the Pine Street facility for ten years, as their proposal requests. They intend to apply for a low-interest loan to fund the tenant improvements that would be required to meet their governing agencies' building requirements, and have pledged to work with the Public Works and Community Development departments to ensure that any remodeling done meets all Code requirements. They anticipate spending \$250,000 to \$300,000 on tenant improvements. This is an expansion project for Health for All, Inc., and they intend to continue to operate at their existing site at 125 South Washington Street.

A Phase I Environmental Report was completed, finding some asbestos-containing floor tiles. Removal of the affected tile is estimated at \$10,000 and is at the City's expense. Health for All will work with the City to see that all asbestos is removed prior to occupancy, and are willing to coordinate that with other construction work.

FUNDING: \$10,000 for asbestos abatement from the Capital Reserve Fund (General Fund).

Funding Available:

*Vicky M. Atkes*  
Finance Director

*Don Callahan*  
for Richard C. Prima, Jr.  
Public Works Director

Prepared by Dennis J. Callahan, Fleet and Facilities Manager  
RCP/DC/lm  
Attachment

cc: Fleet and Facilities Manager  
Interested Parties

APPROVED:

*H. Dixon Flynn*

H. Dixon Flynn -- City Manager



A non-profit community corporation

### **Request For Proposal**

#### **Introduction:**

Health For All, tenders this proposal to the City of Lodi, for the use of the New Shanghai Restaurant located at 100 E. Pine Street as an Adult Day Health Care Center. If Health For All obtains the use of the building to the year 2009, its primary objective would be to help restore or maintain optimal capacity for self-care and independence for frail elderly persons and other physically or mentally challenged adults. The focus of Health For All would be on under-served individuals particularly those on Medi-Cal. It would mirror all four of Health For All's present centers including, the present Health For All Lodi, ADHC, at the Loel Senior Center complex.

#### **Summary of Organization:**

Health For All is a non-profit, 501(c) 3 community-based organization dedicated to providing comprehensive health and social services to disadvantaged children, adolescents, young parents and the frail elderly underserved in Northern California. HFA in particular focuses on the most impoverished fifteen percent of the Medi-Cal population who not only lack income but have other serious barriers for receiving necessary medical care, preventative care, health education, and social services. These barriers include language, culture, lack of transportation or childcare, and special and chronic health problems such as diabetes, hypertension, and chemical dependency. With this focus on the very fragile fifteen percent of welfare recipients, Health For All is considered a "safety net" health provider in Sacramento County.

Incorporated since 1981, Health For All's philosophy centers on community outreach and community building. HFA designs programs and seeks funding that reach people who would not otherwise receive appropriate health care and social services. It designs programs that are designed to keep people and their communities healthy.

Health For All provides services to low income, under-served populations through Adult Day Health Care (ADHC) Centers and community clinics, emphasizing both service to under-served communities and equally important, entry level jobs for people in the communities that are served. Health For All currently employs 110 full and part-time employees.

- 923 V Street • Sacramento, CA 95818 • (916) 448-6553
- 910 S Street • Sacramento, CA 95814 • (916) 446-6012
- 125 South Washington Street • Lodi, CA 95240 • (209) 367-1552
- 2730 Florin Road • Sacramento, CA 95822 • (916) 391-5591
- 577 Las Palmas Avenue • Sacramento, CA 95815 • (916) 924-6703
- 2118 Meadowview Road • Sacramento, CA 95832 • (916) 427-0368
- 4065 Grass Valley Hwy, #206 • Auburn, CA 95602 • (916) 885-2655



A non-profit community corporation

**Intended Use of Facility:**

The facility would be used as an Adult Day Health Care (ADHC) Center, targeting in particular low-income participants who have been diagnosed as physically or mentally challenged. However, participants from all walks of life are welcome whether private pay or Medi-Cal. The program will help delay and prevent inappropriate institutionalization. The program will stress partnership with the participant, the family, the physician, and the community in working towards maintaining personal independence at all stages of life. Health For All would like to continue to hire from within the community highly qualified candidates. The building will be used after hours for meetings and other community activities.

- 1.) Participants attend M-F. Capacity 50+ ADA (Average Daily Attendance). **Hours of Operation** 8am.-5pm.
- 2.) HFA would like to lease for \$1/per year for ten years until 2009.
- 3.) HFA will apply for a low interest 3.5% loan through the California Health Facilities Financing Authority: Capitol Mall Suite #590 Sacramento CA, 95814, for tenant improvements.
- 4.) HFA would utilize all 7,130 sq. ft. of the first floor and basement space for ADHC and activities.
- 5.) At this time all space will be fully utilized by HFA. The state has encouraged HFA to add at least fifty more participants per day served by ADHC, in the Lodi area.
- 6.) HFA will be responsible for tenant improvements of an estimated \$250 - \$300K. Our general contractor is now working on a more detailed line item budget for the New Shanghai Project.

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INTERNAL REVENUE SERVICE

DEPARTMENT OF THE TREASURY

EIN: 94-2747710

Date: JUN 16 1986

Our Letter Dated:  
July 1981

JUN 18 1986

Health for All, Inc.  
910 S Street  
Sacramento, CA 95814

Person to Contact: Taxpayer  
Service Representative

Contact Telephone Number:  
(800) 424-1040

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code, because you are an organization of the type described in section 509(a)(1) & 170(b)(1)(A)(vi). Your exempt status under section 501(c)(3) of the code is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, a grantor or a contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section organization.

Because this letter could help resolve any questions about your foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,



District Director

CITY COUNCIL

KEITH LAND, Mayor  
STEPHEN J. MANN  
Mayor Pro Tempore  
SUSAN HITCHCOCK  
ALAN S. NAKANISHI  
PHILLIP A. PENNINO

# CITY OF LODI

CITY HALL, 221 WEST PINE STREET  
P.O. BOX 3006  
LODI, CALIFORNIA 95241-1910  
(209) 333-6706  
FAX (209) 333-6710

H. DIXON FLYNN  
City Manager  
ALICE M. REIMCHE  
City Clerk  
RANDALL A. HAYS  
City Attorney

November 10, 1999

MAILING LIST ATTACHED

SUBJECT: Recommended Use for 100 East Pine Street (New Shanghai Restaurant)

City of Lodi staff will be recommending to the City Council that the non-profit local organization, Health for All, Inc., be allowed to lease the City property and structure located at 100 East Pine Street, formally known as the New Shanghai Restaurant (see copy of Council Communication enclosed). This recommendation is scheduled for action at the City Council Meeting November 17, 1999. The Council meets at 7 p.m. in the Carnegie Forum, 315 West Pine Street.

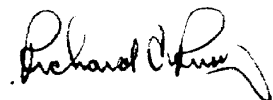
This item will be on the regular calendar for Council discussion. You are welcome to attend.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter to City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Alice Reimche, City Clerk, at 333-6702.

Thank you for taking the time to put your proposal together. We're sorry we can't accommodate all the groups that responded. However, Health for All, Inc. has indicated a willingness to work with other organizations that might want to lease a portion of the facilities through them. If you are interested in pursuing that possibility, please contact Mr. Kenyatta Jones, Program Director, Lodi Health for All Adult Day Health Care Center, at 367-1552.

Again, thank you for your interest and participation in this process. If you have any questions, please call Dennis Callahan, Fleet and Facilities Manager, at 333-6800, ext. 690.



Richard C. Prima, Jr.  
Public Works Director

RCP/DJC/lm

Enclosure

cc: Fleet and Facilities Manager  
City Clerk

NCRECOMMENDEDUSE

NAME	ADDRESS
Health for All Attn: Kenyatta Jones	125 S. Washington Street Lodi, CA 95240
G.A.P. Attn: Dee Porter	103 Koni Court Lodi, CA 95240
Church of Religious Science Attn: Betty Cowdry	P.O. Box 691554 Stockton, CA 95269
San Joaquin Valley Square Dancing Assoc. Attn: Carrol Anderson	P.O. Box 325 Victor, CA 95253-325
Tokay Players, Inc. Attn: Richard Chaffee	P.O. 1014 Lodi, CA 95241
Rev. W. R. Moore Lodi Fellowship Church	7481 E. Hwy. 12 Lodi, CA 95240